



January 25, 2008

SENATE BILL No. 133

DIGEST OF SB 133 (Updated January 24, 2008 11:56 am - DI 73)

Citations Affected: IC 5-10.2; IC 5-10.3; noncode.

Synopsis: Public employees' retirement fund (PERF). Provides for a cost of living adjustment for a retired member of PERF (or a survivor or beneficiary of a member). Provides that the pension portion of the monthly benefit payable to a retired PERF member, excluding elected officials, may not be less than \$180. Provides for a thirteenth check based on the complete years of service credited to a member at retirement. Repeals the current provision requiring the monthly benefit payable to a retired PERF member to be at least \$180. Allows a member or beneficiary of PERF to assign a benefit payment to pay insurance premiums to an association that proves to the PERF board's satisfaction that the association has as members at least 20% of the retired members of PERF.

Effective: July 1, 2008; January 1, 2009.

Meeks, Deig, Hume

January 8, 2008, read first time and referred to Committee on Pensions and Labor.
January 17, 2008, reported favorably — Do Pass. Reassigned to Committee on Appropriations.
January 24, 2008, amended, reported favorably — Do Pass.

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SB 133—LS 6470/DI 116+



January 25, 2008

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

SENATE BILL No. 133

A BILL FOR AN ACT to amend the Indiana Code concerning pensions.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-10.2-5-43 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2008]: **Sec. 43. (a) The pension portion (plus postretirement**
4 **increases to the pension portion) provided by employer**
5 **contributions of the monthly benefit payable after December 31,**
6 **2008, to a member of the public employees' retirement fund (or to**
7 **a survivor or beneficiary of a member of the public employees'**
8 **retirement fund) who retired or was disabled before January 1,**
9 **2008, shall be increased by:**
10 (1) two percent (2%) for members who retired after
11 December 31, 1999; and
12 (2) two and one-half (2.5%) percent for members who retired
13 before January 1, 2000.
14 (b) In addition to any other cost of living increase provided
15 under this chapter, the pension portion (plus postretirement
16 increases to the pension portion) provided by employer
17 contributions of the monthly benefit payable after December 31,

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2008, to a member of the public employees' retirement fund (or to a survivor or beneficiary of a member of the public employees' retirement fund) who is a retired member of the fund with at least ten (10) years of creditable service may not be less than one hundred eighty dollars (\$180).

(c) Subsection (b) does not apply to a member of the public employees' retirement fund (or to a survivor or beneficiary of a member of the public employees' retirement fund) whose creditable service was earned only as an elected official.

(d) The increases specified in this section:

(1) are based on the date of the member's latest retirement or disability;

(2) do not apply to benefits payable in a lump sum; and

(3) are in addition to any other increase provided by law.

SECTION 2. IC 5-10.3-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. Assignment of Benefits. A member or a beneficiary may not assign any payment except for:

(1) premiums on a life, hospitalization, surgical, or medical group insurance plan maintained in whole or in part by:

(A) a state agency; or

(B) any association that proves to the board's satisfaction that the association has as members at least twenty percent (20%) of the number of the retired members of the fund; and

(2) dues to any association which proves to the board's satisfaction that the association has as members at least twenty percent (20%) of the number of the retired members of the fund.

SECTION 3. IC 5-10.2-5-34 IS REPEALED [EFFECTIVE JANUARY 1, 2009].

SECTION 4. [EFFECTIVE JULY 1, 2008] (a) As used in this SECTION, "fund" refers to the public employees' retirement fund established by IC 5-10.3-2-1.

(b) Not later than December 1, 2008, the fund shall pay the amount determined under subsection (c) to a member of the fund (or to a survivor or beneficiary of a member) who retired or was disabled before January 1, 2008, and who is entitled to receive a monthly benefit on November 1, 2008. The amount shall be paid as a single check and is not an increase in the pension portion of the monthly benefit.

(c) The amount paid under this SECTION to a member of the fund (or to a survivor or beneficiary of a member) who meets the

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- 1 requirements of subsection (b) is determined as follows:
- | 2 If a Member's | The Amount of the |
|---|-------------------|
| 3 Creditable Service Is: | Check Is: |
| 4 At least 5 years, but less than 10 years | \$50 |
| 5 (only in the case of a member receiving | |
| 6 disability retirement benefits) | |
| 7 At least 10 years, but less than 20 years | \$100 |
| 8 At least 20 years, but less than 30 years | \$175 |
| 9 At least 30 years | \$225 |
- 10 (d) The creditable service used to determine the amount paid to
- 11 a member (or to a survivor or beneficiary of the member) under
- 12 this SECTION is the creditable service that was used to compute
- 13 the member's retirement benefit under IC 5-10.2-4-4, except that
- 14 partial years of creditable service may not be used to determine the
- 15 amount paid under this SECTION.
- 16 (e) This SECTION expires January 1, 2009.

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COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 133, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS and be reassigned to the Senate Committee on Appropriations.

(Reference is made to Senate Bill 133 as introduced.)

KRUSE, Chairperson

Committee Vote: Yeas 10, Nays 0.

SENATE MOTION

Madam President: I move that Senator Deig be added as coauthor of Senate Bill 133.

MEEKS

SENATE MOTION

Madam President: I move that Senator Hume be added as coauthor of Senate Bill 133.

MEEKS

COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 133, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, between lines 14 and 15, begin a new paragraph and insert:

"SECTION 2. IC 5-10.3-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 10. Assignment of Benefits. A member or a beneficiary may not assign any payment except for:

- (1) premiums on a life, hospitalization, surgical, or medical group insurance plan maintained in whole or in part by:

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(A) a state agency; or

(B) any association that proves to the board's satisfaction that the association has as members at least twenty percent (20%) of the number of the retired members of the fund;
and

(2) dues to any association which proves to the board's satisfaction that the association has as members at least twenty percent (20%) of the number of the retired members of the fund.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 133 as introduced.)

MEEKS, Chairperson

Committee Vote: Yeas 11, Nays 1.

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